

ETC/Interreg Regulation - Recitals**Version:** Outcome after the 4th (final) Trilogue on 2 December 2020.

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
<p>(1) Article 176 of the Treaty on the Functioning of the European Union ('TFEU') provides that the European Regional Development Fund ('ERDF') is intended to help to redress the main regional imbalances in the Union. Under that Article and the second and third paragraphs of Article 174 of the TFEU, the ERDF is to contribute to reducing disparities between the levels of development of the various regions and to reducing the backwardness of the least favoured regions, among which particular attention is to be paid to certain categories of regions, among which cross-border regions are explicitly listed.</p>	<p><u>Amendment 1</u> (1) Article 176 of the Treaty on the Functioning of the European Union ('TFEU') provides that the European Regional Development Fund ('ERDF') is intended to help to redress the main regional imbalances in the Union. Under that Article and the second and third paragraphs of Article 174 of the TFEU, the ERDF is to contribute to reducing disparities between the levels of development of the various regions and to reducing the backwardness of the least favoured regions, among which particular attention is to be paid to certain categories of regions, among which cross border rural areas, areas affected by an industrial transition, areas with a low population density, islands and mountain regions are explicitly listed.</p>		<p><i>Provisional common understanding</i> <i>[no change]</i></p>	696a
<p>(2) Regulation (EU) [new CPR] of the European Parliament and of the Council¹ sets out provisions common to</p>	<p><u>Amendment 2</u> (2) Regulation (EU) [new CPR] of the European Parliament</p>		<p><i>Provisional common understanding</i></p>	696b

¹ [Reference]

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<p>the ERDF and certain other funds and Regulation (EU) [new ERDF] of the European Parliament and of the Council² sets out provisions concerning the specific objectives and the scope of the ERDF support. It is now necessary to adopt specific provisions in relation to the European territorial cooperation goal (Interreg) where one or more Member States cooperate across borders with regard to effective programming including provisions on technical assistance, monitoring, evaluation, communication, eligibility, management and control, as well as financial management.</p>	<p>and of the Council³ sets out provisions common to the ERDF and certain other funds and Regulation (EU) [new ERDF] of the European Parliament and of the Council⁴ sets out provisions concerning the specific objectives and the scope of the ERDF support. It is now necessary to adopt specific provisions in relation to the European territorial cooperation goal (Interreg) where one or more Member States and their regions cooperate across borders with regard to effective programming including provisions on technical assistance, monitoring, evaluation, communication, eligibility, management and control, as well as financial management.</p>		<p>(2) Regulation (EU) [new CPR] of the European Parliament and of the Council²¹ sets out provisions common to the ERDF and certain other funds and Regulation (EU) [new ERDF] of the European Parliament and of the Council²² sets out provisions concerning the specific objectives and the scope of the ERDF support. It is now necessary to adopt specific provisions in relation to the European territorial cooperation goal (Interreg) where one or more Member States and their regions cooperate across borders with regard to effective programming including provisions on technical assistance, monitoring, evaluation, communication, eligibility, management and control, as well as financial management</p>	
			<p><i>Provisional common understanding</i></p> <p>(2bis) The promotion of the ERDF's European Territorial Cooperation goal (Interreg) is a major priority of Union cohesion policy. Support for small and medium sized enterprises for costs incurred in ETC projects is already block-exempted under the Commission</p>	696c

² [Reference]

³ [Reference]

⁴ [Reference]

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			<p>Regulation (EU) No 651/2014⁵ (General block exemption Regulation (GBER)) and special provisions in relation to regional aid for investments by undertakings of all sizes are also included in the regional aid section of the GBER and in the Commission Guidelines on regional State aid for 2014-2020⁶. In the light of 30 years experience gained, given the low financial value of projects and the unlikely negative impact on trade and competition on the one hand, and the high added value brought by the existing programmes to territorial cohesion in Europe on the other hand the scope of the State aid rules with regards to public funding to ETC projects is expected to be further clarified through the GBER, thereby largely exempting the public financing of Interreg projects from the obligation of prior notification and greatly facilitating the implementation of these projects.</p>	
<p>(3) In order to support the harmonious development of the Union's territory at different levels, the ERDF should support cross-border cooperation, transnational cooperation, maritime cooperation, outermost regions'</p>	<p><u>Amendment 3</u> (3) In order to support the a cooperative and harmonious development of the Union's territory at different levels and to reduce existing disparities, the</p>	<p>(3) In order to support the harmonious development of the Union's territory at different levels, the ERDF should support cross-border cooperation, transnational cooperation, maritime cooperation,</p>	<p><i>Provisional common understanding</i></p> <p>(3) In order to support the harmonious development of the Union's territory at different levels, the ERDF should support cross-border cooperation, transnational</p>	697

⁵ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26.6.2014, p. 1).

⁶ Guidelines on regional State aid for 2014-2020 (OJ C 209, 23.07.2013, p. 1).

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cooperation and interregional cooperation under the European territorial cooperation goal (Interreg).	ERDF should support cross-border cooperation, transnational cooperation, maritime cooperation, outermost regions' cooperation and interregional cooperation under the European territorial cooperation goal (Interreg). <i>In the process, the principles of multi-level governance and partnership should be taken into account, and place-based approaches should be strengthened.</i>	interregional cooperation and outermost regions' cooperation and interregional cooperation under the European territorial cooperation goal (Interreg).	cooperation, maritime cooperation, interregional cooperation and outermost regions' cooperation and interregional cooperation under the European territorial cooperation goal (Interreg). In the process, the principles of partnership and multi-level governance should be taken into account, ensuring an effective size of partnership for a programme.	
	Amendment 4 (3a) <i>The different components of Interreg should contribute to the achievement of the Sustainable Development Goals (SDGs) as described in the 2030 Agenda for Sustainable Development adopted in September 2015.</i>		<i>Provisional common understanding.</i> (3a) The resources of the different strands of Interreg should take into account the UN Sustainable Development Goals and the Paris Climate Agreement. <i>A reference to "do no significant harm" principle agreed in CPR.</i>	697a
(4) The cross-border cooperation component should aim to tackle common challenges identified jointly in the border regions, and to exploit the untapped growth potential in border areas as evidenced in the Communication of the Commission 'Boosting Growth and Cohesion in EU Border Regions' ⁷ ('Border Regions	Amendment 5 (4) The cross-border cooperation component should aim to tackle common challenges identified jointly in the border regions, and to exploit the untapped growth potential in border areas as evidenced in the Communication of the Commission 'Boosting Growth	(4) The cross-border cooperation strand should aim to tackle common challenges identified jointly in the neighbouring land and maritime border regions, and to exploit the untapped growth potential in border areas as evidenced in the Communication of the Commission 'Boosting Growth	<i>Provisional common understanding</i> (4) The cross-border cooperation component should aim to tackle common challenges identified jointly in the border regions, and to exploit the untapped growth potential in border areas as evidenced in the Communication of the Commission 'Boosting Growth and Cohesion in EU	698

⁷ Communication from the Commission to the Council and the European Parliament 'Boosting growth and cohesion in EU border regions' - COM(2017) 534 final, 20.9.2017.

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Communication'). Consequently, the cross-border component should be limited to cooperation on land borders and cross-border cooperation on maritime borders should be integrated into the transnational component.	and Cohesion in EU Border Regions' ⁸ ('Border Regions Communication'). Consequently Therefore , the cross-border component should be limited to include cooperation on land borders and cross-border cooperation on both land or maritime borders should be integrated into the transnational, without prejudice to the new component for outermost regions cooperation.	and Cohesion in EU Border Regions' ('Border Regions Communication'). Consequently, the cross-border component should be limited to cooperation on land borders and cross-border cooperation on maritime borders should be integrated into the transnational component.	Border Regions' ⁹ ('Border Regions Communication'). Consequently, the cross-border component should be limited to cooperation on land borders and cross-border cooperation on maritime borders should be integrated into the transnational component. Consequently the programme areas for cross-border cooperation should be identified as those regions and areas on the border or separated by (maximum 150 km) sea where cross-border interaction may effectively take place or functional areas can be identified. In order to integrate potential beneficiaries for such effective cooperation, programme areas may ensure the coherence and continuity of cooperation programme areas established for the 2014-2020 programming planning period.	
(5) The cross-border cooperation component should also involve cooperation between one or more Member States and one or more countries or other territories outside the Union. Covering internal and external cross-border cooperation under this Regulation should result in a major simplification and streamlining of applicable provisions for the programme	<u>Amendment 6</u> (5) The cross-border cooperation component should also involve cooperation between one or more Member States or their regions , and one or more countries or regions , or other territories outside the Union. Covering internal and external cross-border cooperation under this Regulation		<i>Provisional common understanding</i> (5) The cross-border cooperation component strand should also involve cooperation between one or more Member States or their regions , and one or more countries or regions , or other territories outside the Union. Covering internal and external cross-border cooperation under this Regulation should result in a major	698a

⁸ Communication from the Commission to the Council and the European Parliament 'Boosting growth and cohesion in EU border regions' - COM(2017)0534, 20.9.2017.

⁹ Communication from the Commission to the Council and the European Parliament 'Boosting growth and cohesion in EU border regions' - COM(2017) 534 final, 20.9.2017.

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authorities in the Member States and for the partner authorities and beneficiaries outside the Union compared to the programming period 2014-2020.	should result in a major simplification and streamlining of applicable provisions for the programme authorities in the Member States and for the partner authorities and beneficiaries outside the Union compared to the programming period 2014-2020.		simplification and streamlining of applicable provisions for the programme authorities in the Member States and for the partner authorities and beneficiaries outside the Union compared to the programming period 2014-2020.	
<p>(6) The transnational cooperation and maritime cooperation component should aim to strengthen cooperation by means of actions conducive to integrated territorial development linked to the Union's cohesion policy priorities, and should also include maritime cross-border cooperation. Transnational cooperation should cover larger territories on the mainland of the Union, whereas maritime cooperation should cover territories around sea-basins and integrate cross-border cooperation on maritime borders during the programming period 2014-2020. Maximum flexibility should be given to continue implementing previous maritime cross-border cooperation within a larger maritime cooperation framework, in particular by defining the territory covered, the specific objectives for such cooperation, the requirements for a project partnership and the setting-</p>	<p><u>Amendment 7</u> (6) The transnational cooperation and maritime cooperation component should aim to strengthen cooperation by means of actions conducive to integrated territorial development linked to the Union's cohesion policy priorities, and should also include maritime cross-border cooperation in full respect of subsidiarity. Transnational cooperation should cover larger transnational territories on the mainland of the Union, whereas maritime cooperation should cover and, where appropriate, territories around sea-basins and integrate that extend geographically beyond those covered by cross-border cooperation on maritime borders during the programming period 2014-2020. Maximum flexibility should be given to continue</p>	<p>(6) The transnational cooperation and maritime cooperation component strand should aim to strengthen cooperation by means of actions conducive to integrated territorial development linked to the Union's cohesion policy priorities, and should also include maritime cross-border cooperation. Transnational cooperation should cover larger territories on the mainland of the Union, whereas maritime cooperation should cover territories and around sea-basins and integrate cross-border cooperation on maritime borders during the programming period 2014-2020. Maximum flexibility should be given to continue implementing ensure the coherence and continuity of cooperation programmes, including previous external</p>	<p><i>Provisional common understanding</i> (6) The transnational cooperation and maritime cooperation component strand should aim to strengthen cooperation by means of actions conducive to integrated territorial development linked to the Union's cohesion policy priorities, in full respect of subsidiarity, and should also include maritime cross-border cooperation. Transnational cooperation should cover larger territories on the mainland of the Union, whereas maritime cooperation should cover territories and around sea-basins and integrate cross-border cooperation on maritime borders during the programming period 2014-2020. Maximum flexibility should be given to continue implementing ensure the coherence and continuity of cooperation programmes, including previous external maritime cross-border cooperation within a larger maritime cooperation framework, in particular by defining the territory covered,</p>	699

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up of sub-programmes and specific steering committees.	implementing previous maritime cross border cooperation within a larger maritime cooperation framework, in particular by defining the territory covered, the specific objectives for such cooperation, the requirements for a project partnership and the setting-up of sub-programmes and specific steering committees programmes.	maritime cross-border cooperation within a larger maritime cooperation framework, in particular by defining the territory covered, the specific objectives for such cooperation, the requirements for a project partnership and the setting-up of possibility to set up sub-programmes and specific steering committees.	the specific objectives for such cooperation, the requirements for a project partnership and the setting-up of possibility to set up sub-programmes and specific steering committees.	
(7) Based on the experience with cross-border and transnational cooperation during the programming period 2014-2020 in outermost regions, where the combination of both components within a single programme per cooperation area has not brought about sufficient simplification for programme authorities and beneficiaries, a specific outermost regions' component should be established in order to enable outermost regions to cooperate with their neighbouring countries and territories in the most effective and simple way.	Amendment 8 (7) Based on the experience with cross-border and transnational cooperation during the programming period 2014-2020 in outermost regions, where the combination of both components within a single programme per cooperation area has not brought about sufficient simplification for programme authorities and beneficiaries, a specific additional outermost regions' component should be established in order to enable outermost regions to cooperate with their neighbouring third countries, overseas countries and territories (OCTs), or regional integration and cooperation organisations in the most effective and simple way that takes into		<i>Provisional common understanding</i> (7) Based on the experience with cross-border and transnational cooperation during the programming period 2014-2020 in outermost regions, where the combination of both components within a single programme per cooperation area has not brought about sufficient simplification for programme authorities and beneficiaries, a specific outermost regions' component should be established in order to enable outermost regions to cooperate with their neighbouring countries and territories in the most effective and simple way. Under this component, calls for projects could be launched for combined funding under the ERDF, the NDICI and the OAD, through management modes to be agreed upon between participating Member States and regions and third countries.	699a

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	<i>account their individual characteristics.</i>			
<p>(8) Based on the experience with the interregional cooperation programmes under Interreg and the lack of such cooperation within programmes under the Investment for jobs and growth goal during the programming period 2014-2020, the interregional cooperation component should focus more specifically on boosting the effectiveness of cohesion policy. That component should therefore be limited to two programmes, one to enable all kind of experience, innovative approaches and capacity building for programmes under both goals and to promote European groupings of territorial cooperation ('EGTCs') set up or to be set up pursuant to Regulation (EC) No 1082/2006 of the European Parliament and of the Council¹⁰ and one to improve the analysis of development trends. Project-based cooperation throughout the Union should be integrated into the new component on interregional innovation investments and closely linked to the implementation of the Communication from the Commission 'Strengthening Innovation</p>	<p><u>Amendment 9</u> (8) Based on the <i>positive</i> experience with the interregional cooperation programmes under Interreg, <i>on the one hand</i>, and the lack of such cooperation within programmes under the Investment for jobs and growth goal during the programming period 2014-2020, <i>the on the other</i>, interregional cooperation component should focus more specifically on boosting the effectiveness of cohesion policy. That component should therefore be limited to two programmes, one to enable all kind, <i>through the exchange</i> of experience, innovative approaches and capacity building <i>the development of capacities</i> for programmes under both goals and to promote <i>(European territorial cooperation and Investment for growth and jobs) among cities and regions is an important component with a view to finding common solutions in the cohesion policy field and building lasting</i></p>	<p>(8) Based on the positive experience with the and the high added value brought by the existing programmes to territorial cohesion in Europe, interregional cooperation programmes under Interreg and the lack of such cooperation within programmes under the Investment for jobs and growth goal during the programming period 2014-2020, the interregional cooperation component strand should focus more specifically on boosting the effectiveness of cohesion policy. That component should therefore be limited to two through four specific programmes;: one to enable all kind the exchange of experience-experiences, innovative approaches and capacity building for programmes under both goals and to promote focusing on policy objectives, in relation to the identification, dissemination and transfer of good practices into regional development policies including Investment for jobs and</p>	<p><i>Provisional common understanding</i> 8) Based on the experience with the interregional cooperation programmes under Interreg and the lack of such cooperation within programmes under the Investment for jobs and growth goal during the programming period 2014-2020, the interregional cooperation component strand should focus more specifically on boosting the effectiveness of cohesion policy through four specific. That component should therefore be limited to two programmes;: one to enable all kind the exchange of experience-experiences, innovative approaches and capacity building for programmes under both goals and to promote focusing on policy objectives and the Interreg specific objective “a better cooperation governance”, in relation to the identification, dissemination and transfer of good practices into regional development policies including Investment for jobs and growth goal programmes; one dedicated to the exchange of experiences and capacity building in relation to the identification,</p>	700

¹⁰ Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC) (OJ L 210, 31.7.2006, p. 19).

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<p>in Europe's Regions: Strategies for resilient, inclusive and sustainable growth'¹¹, in particular to support thematic smart specialisation platforms on fields such as energy, industrial modernisation or agrifood. Finally, integrated territorial development focusing on functional urban areas or urban areas should be concentrated within programmes under the Investment for jobs and growth goal and in one accompanying instrument, the 'European Urban Initiative'. The two programmes under the interregional cooperation component should cover the whole Union and should also be open for the participation of third countries.</p>	<p><i>partnerships. Existing programmes and, in particular, promotion of project-based cooperation, including promoting European groupings of territorial cooperation ('EGTCs') set up or to be set up pursuant to Regulation (EC) No 1082/2006 of the European Parliament and of the Council¹² and one to improve the analysis of development trends. Project-based cooperation throughout the Union), as well as macro-regional strategies should be integrated into the new component on interregional innovation investments and closely linked to the implementation of the Communication from the Commission 'Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth'¹³, in particular to support thematic smart</i></p>	<p>growth goal programmes; one dedicated to the exchange of experiences and capacity building in relation to the identification, transfer and capitalisation of urban good practices on integrated and sustainable urban development, taking into account the linkages between urban and rural areas including support to actions developed in the framework of Article 9 of [ERDF-Cohesion Fund regulation], complementing and being coordinated with the initiative outlined in Article 10 of Regulation (EU) [ERDF/CF Regulation]; one for the exchange of experiences, innovative approaches and capacity building with a view to harmonizing and simplifying the implementation of Interreg programmes and to harmonising and simplifying</p>	<p>transfer and capitalisation of urban good practices on integrated and sustainable urban development, taking into account the linkages between urban and rural areas including support to actions developed in the framework of Article 9 of [ERDF-Cohesion Fund regulation], complementing and being coordinated with the initiative outlined in Article 10 of Regulation (EU) [ERDF/CF Regulation]; one for the exchange of experiences, innovative approaches and capacity building with a view to harmonizing and simplifying the implementation of Interreg programmes and to harmonising and simplifying cooperation actions referred in point [d (v) of paragraph 3 of Article 17 of (new CPR)]; and to support the setting-up, functioning and use of European groupings of territorial cooperation ('EGTCs') set up or to be set up pursuant to Regulation (EC) No 1082/2006 of the European Parliament and of the Council¹⁴</p>	

¹¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth' - COM(2017) 376 final, 18.7.2017.

¹² Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC) (OJ L 210, 31.7.2006, p. 19).

¹³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth' - COM(2017) 376 final, 18.7.2017.

¹⁴ Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC) (OJ L 210, 31.7.2006, p. 19).

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	<p>specialisation platforms on fields such as energy, industrial modernisation or agrifood. Finally, integrated territorial development focusing on functional urban areas or urban areas should be concentrated within programmes under the Investment for jobs and growth goal and in one accompanying instrument, the ‘European Urban Initiative’. The two programmes under the interregional cooperation component should cover the whole Union and should also be open for the participation of third countries. <i>therefore be continued.</i></p>	<p>cooperation actions referred in point [d (v) of paragraph 3 of Article 17 of (new CPR)]; and to support the setting-up, functioning and use of European groupings of territorial cooperation ('EGTCs') set up or to be set up pursuant to Regulation (EC) No 1082/2006 of the European Parliament and of the Council¹ and one to improve the analysis of development trends. Project based cooperation throughout the Union should be integrated into the new component on interregional innovation investments and closely linked to the implementation of the Communication from the Commission 'Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth'¹, in particular to support thematic smart specialisation platforms on fields such as energy, industrial modernisation or agrifood. Finally, integrated territorial development focusing on functional urban areas or urban areas should be concentrated within programmes under the Investment for jobs and growth goal and in one</p>	<p>as well as macro-regional strategies; and one to improve the analysis of development trends. Project based cooperation throughout the Union should be integrated into the new component on interregional innovation investments and closely linked to the implementation of the Communication from the Commission 'Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth'¹, in particular to support thematic smart specialisation platforms on fields such as energy, industrial modernisation or agrifood. Finally, integrated territorial development focusing on functional urban areas or urban areas should be concentrated within programmes under the Investment for jobs and growth goal and in one accompanying instrument, the ‘European Urban Initiative’. The two The four programmes under the interregional cooperation component strand should cover the whole Union and should also be open for the participation of third countries.</p> <p><i>The additional text on the Interreg specific objective “governance” is taken from the compromise text in Article 3 (row 30). EP amendment on Macro-regional strategies also included.</i></p>	

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		<p>accompanying instrument, the 'European Urban Initiative'. The two The four programmes under the interregional cooperation componentstrand should cover the whole Union and should also be open for the participation of third countries.</p>		
	<p><u>Amendment 10</u> <i>New recital (8a)</i></p>		<p><i>Provisional common understanding</i></p> <p><i>The content of this component was agreed and moved to ERDF/CF Regulation</i></p>	700a
<p>(9) Objective criteria for designating eligible regions and areas should be established. To that end, the identification of eligible regions and areas at Union level should be based on the common system of classification of the regions established by Regulation (EC) No 1059/2003 of the European Parliament and of the Council¹⁵.</p>	<p><u>Amendment 11</u> (9) Common Objective criteria for designating eligible regions and areas should be established. To that end, the identification of eligible regions and areas at Union level should be based on the common system of classification of the regions established by Regulation (EC) No 1059/2003 of the European Parliament and of the Council¹⁶.</p>		<p><i>Provisional common understanding</i></p> <p>(9) Common objective criteria for designating eligible regions and areas should be established. To that end, the identification of eligible regions and areas at Union level should be based on the common system of classification of the regions established by Regulation (EC) No 1059/2003 of the European Parliament and of the Council²⁶</p>	700b
<p>(10) It is necessary to continue supporting or, as appropriate, to establish cooperation in all its dimensions with the Union's</p>	<p><u>Amendment 12</u> (10) It is necessary to continue supporting or, as appropriate, to establish cooperation in all its</p>	<p>(10) It is necessary to continue supporting or, as appropriate, to establish cooperation in all its dimensions with the Union's</p>	<p><i>Provisional common understanding</i></p> <p>(10) It is necessary to continue supporting or, as appropriate, to establish cooperation</p>	701

¹⁵ Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154, 21.6.2003, p. 1).

¹⁶ Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154, 21.6.2003, p. 1).

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<p>neighbouring third countries, as such cooperation is an important regional development policy tool and should benefit the regions of the Member States which border third countries. To that effect, the ERDF and the external financing instruments of the Union, IPA¹⁷, NDICI¹⁸ and OCTP¹⁹, should support programmes under cross-border cooperation, transnational cooperation and maritime cooperation, outermost regions' cooperation and interregional cooperation. The support from the ERDF and from the external financing instruments of the Union should be based on reciprocity and proportionality. However, for IPA III CBC and NDICI CBC, the ERDF support should be complemented by at least equivalent amounts under IPA III CBC and NDICI</p>	<p>dimensions with the Union's neighbouring third countries, as such cooperation is an important regional development policy tool and should benefit the regions of the Member States which border third countries. To that effect, the ERDF and the external financing instruments of the Union, IPA²⁰, NDICI²¹ and OCTP²², should support programmes under cross-border cooperation, transnational cooperation and maritime cooperation, outermost regions' cooperation and interregional cooperation. The support from the ERDF and from the external financing instruments of the Union should be based on reciprocity and proportionality. However, for</p>	<p>neighbouring third countries, as such cooperation is an important regional development policy tool and should benefit the regions of the Member States which border third countries. To that effect, the ERDF and the external financing instruments of the Union, IPA¹, NDICI¹, and OCTP¹, should support programmes under cross-border cooperation, transnational cooperation and maritime cooperation, outermost regions' cooperation and interregional cooperation. The support from the ERDF and from the external financing instruments of the Union should be based on reciprocity and proportionality. However, for IPA_III CBC and NDICI CBC, the</p>	<p>in all its dimensions with the Union's neighbouring third countries, as such cooperation is an important regional development policy tool and should benefit the regions of the Member States which border third countries. To that effect, the ERDF and the external financing instruments of the Union, IPA²³, NDICI²⁴ and OCTP OAD²⁵, should support programmes under cross-border cooperation, transnational cooperation and maritime cooperation, interregional cooperation and outermost regions' cooperation and interregional cooperation. The support from the ERDF and from the external financing instruments of the Union should be based on reciprocity and proportionality. However, for IPA III CBC and NDICI CBC, the ERDF support should be complemented by at least equivalent</p>	

¹⁷ Regulation (EU) XXX establishing the Instrument for Pre-accession Assistance (OJ L xx, p. y).

¹⁸ Regulation (EU) XXX establishing the Neighbourhood, Development and International Cooperation Instrument (OJ L xx, p. y).

¹⁹ Council Decision (EU) XXX on the association of the Overseas Countries and Territories with the European Union including relations between the European Union on the one hand and Greenland and the Kingdom of Denmark on the other (OJ L xx, p. y).

²⁰ Regulation (EU) XXX establishing the Instrument for Pre-accession Assistance (OJ L xx, p. y).

²¹ Regulation (EU) XXX establishing the Neighbourhood, Development and International Cooperation Instrument (OJ L xx, p. y).

²² Council Decision (EU) XXX on the association of the Overseas Countries and Territories with the European Union including relations between the European Union on the one hand and Greenland and the Kingdom of Denmark on the other (OJ L xx, p. y).

²³ Regulation (EU) XXX establishing the Instrument for Pre-accession Assistance (OJ L xx, p. y).

²⁴ Regulation (EU) XXX establishing the Neighbourhood, Development and International Cooperation Instrument (OJ L xx, p. y).

²⁵ Council Decision on the Association of the Overseas Countries and Territories with the European Union including relations between the European Union on the one hand and Greenland and the Kingdom of Denmark on the other (OJ L xx, p. y).

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CBC, subject to a maximum amount set out in the respective legal act, that is to say, up to 3 % of the financial envelope under IPA III and up to 4 % of the financial envelope of the Neighbourhood geographic programme under Article 4(2)(a) of the NDICI.	IPA III CBC and NDICI CBC, the ERDF support should be complemented by at least equivalent amounts under IPA III CBC and NDICI CBC, subject to a maximum amount set out in the respective legal act, that is to say, up to 3 % of the financial envelope under IPA III and up to 4 % of the financial envelope of the Neighbourhood geographic programme under Article 4(2)(a) of the NDICI.	ERDF support should be complemented by at least equivalent amounts under IPA-III CBC and NDICI CBC, subject to a maximum amount set out in the respective legal act, that is to say, up to 3 % of the financial envelope under IPA III and up to 4 % of the financial envelope of the Neighbourhood geographic programme under Article 4(2)(a) of the NDICI.	amounts under IPA III CBC and NDICI CBC, subject to a maximum amount set out in the respective legal act, that is to say, up to 3 % of the financial envelope under IPA III and up to 4 % of the financial envelope of the Neighbourhood geographic programme under Article 4(2)(a) of the NDICI. <i>In consistency with Article 10, rows 99 and 103.</i>	
	<u>Amendment 13</u> <i>(10a) Particular attention should be paid to regions which become new external borders of the Union to ensure the adequate continuity of ongoing cooperation programmes.</i>		<i>Provisional common understanding</i> <i>[EP Amendment 13 withdrawn]</i>	701a
(11) IPA III assistance should mainly focus on assisting the IPA beneficiaries to strengthen democratic institutions and the rule of law, reform the judiciary and public administration, respect fundamental rights and promote gender equality, tolerance, social inclusion and non-discrimination. IPA assistance should continue to support the efforts of the IPA beneficiaries to advance regional, macro-regional and cross-border cooperation as well as territorial	<u>Amendment 14</u> (11) IPA III assistance should mainly focus on assisting the IPA beneficiaries to strengthen democratic institutions and the rule of law, reform the judiciary and public administration, respect fundamental rights and promote gender equality, tolerance, social inclusion and non-discrimination as well as regional and local development. IPA assistance should		<i>Provisional common understanding</i> (11) IPA III assistance should mainly focus on assisting the IPA beneficiaries to strengthen democratic institutions and the rule of law, reform the judiciary and public administration, respect fundamental rights and promote gender equality, tolerance, social inclusion and non-discrimination as well as regional and local development. IPA assistance should continue to support the efforts of the IPA beneficiaries to advance regional, macro-regional and	701b

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
development, including through the implementation of Union macro-regional strategies. In addition, IPA assistance should address security, migration and border management, ensuring access to international protection, sharing relevant information, enhancing border control and pursuing common efforts in the fight against irregular migration and migrant smuggling.	continue to support the efforts of the IPA beneficiaries to advance regional, macro-regional and cross-border cooperation as well as territorial development, including through the implementation of Union macro-regional strategies. In addition, IPA assistance should address security, migration and border management, ensuring access to international protection, sharing relevant information, enhancing border control and pursuing common efforts in the fight against irregular migration and migrant smuggling.		cross-border cooperation as well as territorial development, including through the implementation of Union macro-regional strategies. In addition, IPA assistance should address security, migration and border management, ensuring access to international protection, sharing relevant information, enhancing border control and pursuing common efforts in the fight against irregular migration and migrant smuggling.	
(12) With regard to NDICI assistance, the Union should develop a special relationship with neighbouring countries, aiming to establish an area of prosperity and good neighbourliness, founded on the values of the Union and characterised by close and peaceful relations based on cooperation. This Regulation and the NDICI should therefore support the internal and external aspects of relevant macro-regional strategies. Those initiatives are strategically important and offer meaningful political frameworks for deepening relations with and among partner countries, based on the	<i>[no change]</i>		<i>Provisional common understanding</i> <i>[no change]</i>	701c

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principles of mutual accountability, shared ownership and responsibility.				
	<p><u>Amendment 15</u> (12a) Developing synergies with Union external action and development programmes should also help to ensure maximum impact whilst fulfilling the principle of policy coherence for development as provided for by Article 208 of the Treaty on the Functioning of the European Union (TFEU). Achieving coherence across all Union policies is crucial for achieving the SDGs.</p>		<p><i>Provisional common understanding</i> <i>[EP Amendment 15 withdrawn]</i></p>	701d
(13) It is important to continue observing the role of the EEAS and the Commission in the preparation of the strategic programming and of Interreg programmes supported by the ERDF and the NDICI as established in Council decision 2010/427/EU ²⁶ .	[no change]		<p><i>Provisional common understanding</i> <i>[no change]</i></p>	701e
(14) In view of the specific situation of outmost regions of the Union, it is necessary to adopt measures concerning the conditions under which those regions may have access to structural funds.	<p><u>Amendment 16</u> (14) In view of the specific situation of outmost regions of the Union, it is necessary to adopt measures concerning the</p>	(14) In view of the specific situation of outmost regions of the Union, it is necessary to adopt measures concerning the conditions under which those regions may	<p><i>Provisional common understanding</i> (14) In view of the specific situation of outermost regions of the Union, it is necessary to adopt measures concerning the</p>	702

²⁶ Council decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (OJ L 201, 3.8.2010, p. 30).

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
Consequently, certain provisions of this Regulation should be adapted to the specificities of the outermost regions in order to simplify and foster cooperation with their neighbors, while taking into account the Communication from the Commission 'A stronger and renewed strategic partnership with the EU's outermost regions' ²⁷ .	<i>improvement of</i> conditions under which those regions may have access to structural funds. Consequently, certain provisions of this Regulation should be adapted to the specificities of the outermost regions in order to simplify and foster their cooperation with their neighbors third countries and OCTs , while taking into account the Communication from the Commission 'A stronger and renewed strategic partnership with the EU's outermost regions' ²⁸ .	have access to structural funds. Consequently, certain provisions of this Regulation should be adapted to the specificities of the outermost regions in order to simplify and foster cooperation with their neighbours, while taking into account the Communication from the Commission 'A stronger and renewed strategic partnership with the EU's outermost regions'. This cooperation may be carried out in close partnership with regional organisations.	improvement of conditions under which those regions may have access to structural funds. Consequently, certain provisions of this Regulation should be adapted to the specificities of the outermost regions in order to simplify and foster their cooperation with their neighbours third countries and OCTs , while taking into account the Communication from the Commission 'A stronger and renewed strategic partnership with the EU's outermost regions'. This cooperation may be carried out in close partnership with regional integration and cooperation organisations.	
	<u>Amendment 17</u> <i>(14a) This Regulation lays down the possibility of the OCTs to participate in Interreg programmes. The specificities and challenges of the OCTs should be taken into consideration in order to facilitate their effective access and participation.</i>		<i>Provisional common understanding</i> (14a) This Regulation lays down the possibility of the OCTs to participate in Interreg programmes. The specificities and challenges of the OCTs should be taken into consideration in order to facilitate their effective access and participation.	702a
(15) It is necessary to set out the resources allocated to each of the different components of Interreg,	<u>Amendment 18</u> (15) It is necessary to set out the resources allocated to each of the different components of Interreg,		<i>Provisional common understanding</i> (15) It is necessary to set out the resources allocated to each of the different strands	702b

²⁷ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank 'A stronger and renewed strategic partnership with the EU's outermost regions', - COM(2017) 623 final, 24.10.2017.

²⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank 'A stronger and renewed strategic partnership with the EU's outermost regions', - COM(2017)0623, 24.10.2017.

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
<p>including each Member State's share of the global amounts for the cross-border cooperation, the transnational cooperation and maritime cooperation, the outermost regions' cooperation and the interregional cooperation, the potential available to Member States concerning flexibility between those components. Compared to the programming period 2014-2020, the share for cross-border cooperation should be reduced, while the share for transnational cooperation and maritime cooperation should be increased because of the integration of maritime cooperation, and a new outermost regions' cooperation component should be created.</p>	<p>including each Member State's share of the global amounts for the cross-border cooperation, the transnational cooperation and maritime cooperation, the outermost regions' cooperation and the interregional cooperation, the potential available to Member States concerning flexibility between those components. Compared to the programming period 2014-2020, the share for cross border cooperation should be reduced, while the share for transnational cooperation and maritime cooperation should be increased because of the integration of maritime cooperation, and a new outermost regions' cooperation component should be created.</p> <p><i>Given globalisation, cooperation aimed to boost investments in more jobs and growth and joint investments with other regions should, however, also be determined by the regions common characteristics and ambitions and not necessarily by borders, therefore sufficient additional funds for the new initiative on interregional innovation investments should be made</i></p>		<p>components of Interreg, including each Member State's share of the global amounts for the cross-border cooperation, the transnational cooperation and maritime cooperation, the outermost regions' cooperation and the interregional cooperation, and the potential available to Member States concerning flexibility between those strands components. Compared to the programming period 2014-2020, the share for cross border cooperation should be reduced, while the share for transnational cooperation and maritime cooperation should be increased because of the integration of maritime cooperation, and a new outermost regions' cooperation component should be created.</p>	

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
	<i>available to respond to the global market condition.</i>			
(16) For the most efficient use of the support from the ERDF and the external financing instruments of the Union, a mechanism should be set up to organise the return of such support in cases where external cooperation programmes cannot be adopted or have to be discontinued, including with third countries which do not receive support from any financing instrument of the Union. That mechanism should seek to achieve optimal functioning of the programmes and the maximum possible coordination between those instruments.	<i>[no change]</i>		<i>Provisional common understanding</i> <i>[no change]</i>	702c
(17) The ERDF should contribute, under Interreg, to the specific objectives under the cohesion policy objectives. However, the list of the specific objectives under the different thematic objectives should be adapted to the specific needs of Interreg, by providing for additional specific objectives under the policy objective 'a more social Europe by implementing the European Pillar of Social Rights' in order to allow for ESF-type interventions.	<i>(no change)</i>	(17) The ERDF should contribute, under Interreg, to the specific objectives under the cohesion policy objectives. However, the list of the specific objectives under the different thematic policy objectives should be adapted to the specific needs of Interreg, by providing for additional specific objectives under the policy objective 'a more social Europe by implementing the European Pillar of Social Rights' in order to allow for ESF-type interventions, according to paragraphs (i) to (x)	<i>Provisional common understanding</i> (17) The ERDF should contribute, under Interreg, to the specific objectives under the cohesion policy objectives. However, the list of the specific objectives under the different thematic policy objectives should be adapted to the specific needs of Interreg, by providing for additional specific objectives under the policy objective 'a more social Europe by implementing the European Pillar of Social Rights' in order to allow for ESF-type interventions, according to paragraphs (i) to (x) of Article 4(1) of Regulation (EU) [ESF+	703

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
		of Article 4(1) of Regulation (EU) [ESF+ Regulation] through joint actions under Interreg programmes.	Regulation] through joint actions under Interreg programmes.	
<p>(18) Within the context of the unique and specific circumstances on the island of Ireland, and with a view to supporting North-South cooperation under the Good Friday Agreement, a new 'PEACE PLUS' cross-border programme should continue and build on the work of previous programmes between the border counties of Ireland and Northern Ireland. Taking into account its practical importance, it is necessary to ensure that, where the programme is acting in support of peace and reconciliation, the ERDF should also contribute to promoting social, economic and regional stability in the regions concerned, in particular through actions to promote cohesion between communities. Given the specificities of the programme it should be managed in an integrated manner with the United Kingdom contribution being integrated into the programme as external assigned revenue. Furthermore, certain rules on the selection of operations in this Regulation should not apply to that</p>	<p><u>Amendment 19</u> (18) Within the context of the unique and specific circumstances on the island of Ireland, and with a view to supporting North-South cooperation under the Good Friday Agreement, a new 'PEACE PLUS' cross-border programme should is to continue and build on the work of previous programmes between the border counties of Ireland and Northern Ireland. Taking into account its practical importance, it is necessary to ensure that, where the programme is acting in support of peace and reconciliation, the ERDF should also contribute to promoting social, economic and regional stability and cooperation in the regions concerned, in particular through actions to promote cohesion between communities. Given the specificities of the programme it should be managed in an integrated manner with the United Kingdom contribution being integrated into the programme as external assigned</p>		<p><i>Provisional common understanding</i></p> <p>(18) Within the context of the unique and specific circumstances on the island of Ireland, and with a view to supporting North-South cooperation under the Good Friday Agreement, a new 'PEACE PLUS' cross-border programme should is to continue and build on the work of previous programmes between the border counties of Ireland and Northern Ireland. Taking into account its practical importance, it is necessary to ensure that, where the programme is acting in support of peace and reconciliation, the ERDF should also contribute to promoting social, economic and regional stability and cooperation in the regions concerned, in particular through actions to promote cohesion between communities. Given the specificities of the programme it should be managed in an integrated manner with the United Kingdom contribution being integrated into the programme as external assigned revenue. Furthermore, certain rules on the selection of operations in this Regulation should not apply to that programme in</p>	703a

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
programme in relation to operations in support of peace and reconciliation.	revenue. Furthermore, certain rules on the selection of operations in this Regulation should not apply to that programme in relation to operations in support of peace and reconciliation.		relation to operations in support of peace and reconciliation.	
(19) This Regulation should add two Interreg-specific objectives, one to support an Interreg-specific objective strengthening institutional capacity, enhancing legal and administrative cooperation, in particular where linked to implementation of the Border Regions Communication, intensify cooperation between citizens and institutions and the development and coordination of macro-regional and sea-basin strategies, and one to address specific external cooperation issues such as safety, security, border crossing management and migration.	<i>(no change)</i>	(19) This Regulation should add two Interreg-specific objectives, one to support an Interreg-specific objective strengthening institutional capacity, enhancing legal and administrative cooperation, in particular where linked to implementation of the Border Regions Communication, intensify cooperation between citizens and institutions and the development and coordination of macro-regional and sea-basin strategies, build up mutual trust, in particular by encouraging people-to-people actions , and one to address specific external cooperation issues such as safety, security, border crossing management and migration.	<i>Provisional common understanding</i> (19) This Regulation should add two Interreg-specific objectives, one to support an Interreg-specific objective strengthening institutional capacity, enhancing legal and administrative cooperation, in particular where linked to implementation of the Border Regions Communication, intensify cooperation between citizens and institutions and the development and coordination of macro-regional and sea-basin strategies, build up mutual trust, in particular by encouraging people-to-people actions , and one to address specific external cooperation issues on such as safety, security, border crossing management and migration.	704
(20) The major part of the Union support should be concentrated on a limited number of policy objectives in order to maximise the impact of Interreg.	<u>Amendment 20</u> (20) The major part of the Union support should be concentrated on a limited number of policy objectives in order to maximise the impact of Interreg. <i>Synergies and complementarities</i>		<i>Provisional common understanding</i> (20) The major part of the Union support should be concentrated on a limited number of policy objectives in order to maximise the impact of Interreg. Synergies and complementarities between the strands of Interreg should be strengthened.	704a

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
	<i>between the components of INTERREG should be strengthened.</i>			
(21) Provisions on the preparation, approval and amendment of Interreg programmes as well as on territorial development, on the selection of operations, on monitoring and evaluation, on the programme authorities, on audit of operations, and on transparency and communication should be adapted to the specificities of Interreg programmes compared to the provisions set out in Regulation (EU) [new CPR].	<u>Amendment 21</u> (21) Provisions on the preparation, approval and amendment of Interreg programmes as well as on territorial development, on the selection of operations, on monitoring and evaluation, on the programme authorities, on audit of operations, and on transparency and communication should be adapted to the specificities of Interreg programmes compared to the provisions set out in Regulation (EU) [new CPR]. <i>These specific provisions should be kept simple and clear in order to avoid gold-plating and additional administrative burdens for Member States and beneficiaries.</i>		<i>Provisional common understanding</i> (21) Provisions on the preparation, approval and amendment of Interreg programmes as well as on territorial development, on the selection of operations, on monitoring and evaluation, on the programme authorities, on audit of operations, and on transparency and communication should be adapted to the specificities of Interreg programmes compared to the provisions set out in Regulation (EU) [new CPR]. These specific provisions should be kept simple and clear in order to avoid gold-plating and additional administrative burdens for Member States and beneficiaries.	704b
(22) The provisions on the criteria for operations to be considered as genuinely joint and cooperative, on the partnership within an Interreg operation and on the obligations of the lead partner as set out during the programme period 2014-2020 should on be continued. However, Interreg partners should cooperate in all four dimensions	<u>Amendment 22</u> (22) The provisions on the criteria for operations to be considered as genuinely joint and cooperative, on the partnership within an Interreg operation and on the obligations of the lead partner as set out during the programme period 2014-2020 should on be		<i>Provisional common understanding</i> (22) The provisions on the criteria for operations to be considered as genuinely joint and cooperative, on the partnership within an Interreg operation and on the obligations of the lead partner as set out during the programme period 2014-2020 should on be continued. However, Interreg partners should cooperate in in all four	704c

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
(development, implementation, staffing and financing) and, under outermost regions' cooperation, in three out of four, as it should be simpler to combine support from the ERDF and external financing instruments from the Union both on the level of programmes and operations.	continued. However, Interreg partners should cooperate in all four dimensions (development, and implementation, <i>as well as</i> staffing and or financing) <i>or both</i> , and, under outermost regions' cooperation, in three out of four, as it should be simpler to combine support from the ERDF and external financing instruments from the Union both on the level of programmes and operations.		dimensions (development, and implementation, as well as staffing and or financing) or both , and, under outermost regions' cooperation, in three two out of four of these dimensions, as it should be simpler to combine support from the ERDF and external financing instruments from the Union both on the level of programmes and operations.	
	Amendment 23 (22a) <i>Under cross-border cooperation programmes, people-to-people (P2P) and small-scale projects are an important and successful instrument for eliminating border and cross border obstacles, fostering contacts between people locally and, in so doing, bringing border regions and their citizens closer together. P2P projects and small-scale projects are carried out in many areas such as, inter alia, culture, sport, tourism, general education and vocational training, the economy, science, environmental protection and ecology, healthcare, transport and</i>		Provisional common understanding EP Amendment 23 implemented in row 704e (Recital 23)	704d

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
	<p><i>small-scale infrastructure projects, administrative cooperation and public-relations work. As also set forth in the opinion of the Committee of the Regions ‘People-to-people and small-scale projects in cross-border cooperation programmes’²⁹, P2P projects and small-scale projects have high European added value and make a considerable contribution towards realising the overall objective of cross-border cooperation programmes.</i></p>			
<p>(23) It is necessary to clarify the rules governing small project funds which have been implemented since Interreg has existed, but have never been covered by specific provisions. As also set out in the Opinion of the Committee of the Regions ‘People-to-people and small-scale projects in cross-border cooperation programmes’³⁰, such small project funds play an important role in building up trust between citizens and institutions, offer great European added value and contribute considerably to the</p>	<p><u>Amendment 24</u> (23) It is necessary to clarify the rules governing small project funds which have been implemented since Interreg has existed, but <i>P2P projects and small-scale projects have been supported via small-project funds or similar instruments that</i> have never been covered by specific provisions, <i>making it necessary to clarify the rules governing those funds. In order to maintain the added value and advantages of P2P and small-</i></p>		<p><i>Provisional common understanding</i></p> <p>(23) It is necessary to clarify the rules governing small project funds which have been implemented since Interreg has existed, but have never been covered by specific provisions. As also set out in the Opinion of the Committee of the Regions ‘People-to-people and small-scale projects in cross-border cooperation programmes’; such small project funds play an important role in building up trust between citizens and institutions, offer great European added value and contribute considerably to the</p>	704e

²⁹ Opinion of the European Committee of the Regions ‘People-to-people and small-scale projects in cross-border cooperation programmes’ of 12 July 2017 (OJ C 342, 12.10.2017, p. 38).

³⁰ Opinion of the European Committee of the Regions ‘People-to-people and small-scale projects in cross-border cooperation programmes’ of 12 July 2017 (OJ C 342, 12.10.2017, p. 38).

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
<p>overall objective of cross-border cooperation programmes by overcoming border obstacles and integrating border areas and their citizens. In order to simplify the management of the financing of small projects by the final recipients, who are often not used to applying for Union funds, the use of simplified cost options and of lump sums should be made obligatory below a certain threshold.</p>	<p><i>scale projects, also with regard to local and regional development, and to.</i> As also set out in the Opinion of the Committee of the Regions ‘People to people and small-scale projects in cross-border cooperation programmes’³¹, such small project funds play an important role in building up trust between citizens and institutions, offer great European added value and contribute considerably to the overall objective of cross-border cooperation programmes by overcoming border obstacles and integrating border areas and their citizens. In order to simplify the management of the financing of small projects by the final recipients, who are often not used to applying for Union funds, the use of simplified cost options and of lump sums should be made obligatory below a certain threshold.</p>		<p>overall objective of cross-border cooperation programmes by overcoming border obstacles and integrating border areas and their citizens. In order Under cross-border cooperation programmes, people-to-people (P2P) and small-scale projects are an important and successful instrument, with high European added value, for eliminating border and cross border obstacles, fostering contacts between people locally and, bringing border regions and their citizens closer together. They have been supported via small-project funds or similar instruments, although they have never been covered by specific provisions, making it necessary to clarify the rules governing those funds. In order to maintain the added value and advantages of P2P and small-scale projects, also with regard to local and regional development, and to simplify the management of the financing of small projects by the final recipients, who are often not used to applying for Union funds, the use of simplified cost options and of lump sums should be made obligatory below a certain threshold.</p>	

³¹ Opinion of the European Committee of the Regions ‘People to people and small-scale projects in cross-border cooperation programmes’ of 12 July 2017 (OJ C 342, 12.10.2017, p. 38).

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
<p>(24) Due to the involvement of more than one Member State, and the resulting higher administrative costs, in particular in respect of controls and translation, the ceiling for technical assistance expenditure should be higher than that under the Investment for jobs and growth goal. In order to offset the higher administrative costs, Member States should be encouraged to reduce the administrative burden with regard to the implementation of joint projects wherever possible. In addition, Interreg programmes with limited Union support or external cross-border cooperation programmes should receive a certain minimum amount for technical assistance to ensure sufficient funding for effective technical assistance activities.</p>	<p><u>Amendment 25</u> (24) Due to the involvement of more than one Member State, and the resulting higher administrative costs, <i>including for regional points of contact (or ‘antennae’), which are important points of contact for those proposing and implementing projects, and therefore function as a direct line to the joint secretariats or the relevant authorities, but</i> in particular in respect of controls and translation, the ceiling for technical assistance expenditure should be higher than that under the Investment for jobs and growth goal. In order to offset the higher administrative costs, Member States should be encouraged to reduce the administrative burden with regard to the implementation of joint projects wherever possible. In addition, Interreg programmes with limited Union support or external cross-border cooperation programmes should receive a certain minimum amount for technical assistance to ensure sufficient funding for effective technical assistance activities.</p>		<p><i>Provisional common understanding</i></p> <p>(24) Due to the involvement of more than one Member State, and the resulting higher administrative costs, including for regional points of contact (or ‘antennae’), which are important points of contact for those proposing and implementing projects, and therefore function as a direct line to the joint secretariats or the relevant authorities, but in particular in respect of controls and translation, the ceiling for technical assistance expenditure should be higher than that under the Investment for jobs and growth goal. In order to offset the higher administrative costs, Member States should be encouraged to reduce the administrative burden with regard to the implementation of joint projects wherever possible. In addition, Interreg programmes with limited Union support or external cross-border cooperation programmes should receive a certain minimum amount for technical assistance to ensure sufficient funding for effective technical assistance activities including for regional branch offices of joint secretariats and contact points set up to be closer to potential beneficiaries and partners.</p>	704f

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
(25) Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016, there is a need to evaluate the Funds on the basis of information collected through specific monitoring requirements, while avoiding overregulation and administrative burdens, in particular on Member States. These requirements, where appropriate, can include measurable indicators, as a basis for evaluating the effects of the Funds on the ground.	<i>[no change]</i>		<i>Provisional common understanding</i> <i>[no change]</i>	704g
	<u>Amendment 26</u> <i>(25a) In connection with reducing administrative burden, the Commission, Member States and regions should cooperate closely in order to be able to make use of the enhanced proportionate arrangements for the management and control system for an Interreg programme that are referred to in Article 77 of Regulation (EU) .../... [new CPR].</i>		<i>Provisional common understanding</i> <i>[EP Amendment 26 withdrawn]</i>	704h
(26) Based on experience during the programming period 2014-2020, the system introducing a clear hierarchy of rules on eligibility of expenditure should be continued while maintaining the principle of rules on eligibility of expenditure to be established at Union	<i>[no change]</i>		<i>Provisional common understanding</i> <i>[no change]</i>	704i

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
<p>level or for Interreg programme as a whole to avoid any possible contradictions or inconsistencies between different Regulations and between Regulations and national rules. Additional rules adopted by one Member State which would only apply to the beneficiaries in that Member State should be limited to the strict minimum. In particular, provisions of the Commission Delegated Regulation (EU) No 481/2014³² adopted for the programming period 2014-2020 should be integrated into this Regulation.</p>				
<p>(27) Member States should be encouraged to assign the functions of the managing authority to an EGTC or to make such a grouping, like other cross-border legal bodies, responsible for managing a sub-programme, an integrated territorial investment or one or more small project funds, or to act as sole partner.</p>	<p><u>Amendment 27</u> (27) Member States should be encouraged to assign, where appropriate, delegate the functions of the managing authority to an a new or, where applicable, an existing EGTC or to make such a grouping, like other cross-border legal bodies, responsible for managing a sub-programme, an integrated territorial investment or one or more small project funds, or to act as sole partner. Member States should enable regional and local authorities and other public</p>		<p><i>Provisional common understanding</i></p> <p>(27) Member States should be encouraged to assign the functions of the managing authority to an EGTC or to make such a grouping, like other cross-border legal bodies, responsible for managing a sub-programme, an integrated territorial investment or one or more small project funds, or to act as sole partner.</p> <p>In this context, a cross-border legal body, including euregions, should be established under the laws and have legal personality of one of the participating</p>	705

³² Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 supplementing Regulation (EU) No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for cooperation programmes (OJ L 138, 13.5.2014, p. 45).

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
	<i>bodies from different Member States to set up such cooperation groupings with a legal personality and should involve local and regional authorities in their functioning.</i>		countries and the participation of regional and local authorities from all participating countries should be granted.	
(28) In order to continue the payment chain established for the programming period 2014-2020, i.e. from the Commission to the lead partner via the certifying authority, that payment chain should be continued under the accounting function. The Union support should be paid to the lead partner, unless this would result in double fees for conversion into euro and back into another currency or <i>vice versa</i> between the lead partner and the other partners.	<u>Amendment 28</u> (28) In order to continue the payment chain established for the programming period 2014-2020, i.e. from the Commission to the lead partner via the certifying authority, that payment chain should be continued under the accounting function. The Union support should be paid to the lead partner, unless this would result in double fees for conversion into euro and back into another currency or vice versa between the lead partner and the other partners. <i>If not otherwise specified, the lead partner should ensure that the other partners receive the total amount of the contribution from the respective Union fund in full and within the timeframe agreed by all partners and following the same procedure applied in respect of the lead partner.</i>		<i>Provisional common understanding</i> (28) In order to continue the payment chain established for the programming period 2014-2020, i.e. from the Commission to the lead partner via the certifying authority, that payment chain should be continued under the accounting function. The Union support should be paid to the lead partner, unless this would result in double fees for conversion into euro and back into another currency or vice versa between the lead partner and the other partners. If not otherwise specified, the lead partner should ensure that the other partners receive the total amount of the contribution from the respective Union fund in full and within the timeframe agreed by all partners and following the same procedure applied in respect of the lead partner.	706
(29) Pursuant to Article [63(9)] of Regulation (EU, Euratom) [FR-	<u>Amendment 29</u>		<i>Provisional common understanding</i>	707

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
<p>Omnibus] sector-specific rules are to take account of the needs of European Territorial Cooperation (Interreg) programmes as regards, in particular the audit function. The provisions on the annual audit opinion, the annual control report and the audits of operations should therefore be simplified and adapted to those programmes involving more than one Member States.</p>	<p>(29) Pursuant to Article [63(9)] of Regulation (EU, Euratom) [FR-Omnibus] sector-specific rules are to take account of the needs of European Territorial Cooperation (Interreg) programmes as regards, in particular the audit function. The provisions on the annual audit opinion, the annual control report and the audits of operations should therefore be simplified and adapted to those programmes involving more than one Member States.</p>		<p>(29) Pursuant to Article [63(9)] of Regulation (EU, Euratom) [FR-Omnibus] sector-specific rules are to take account of the needs of European Territorial Cooperation (Interreg) programmes as regards, in particular the audit function. The provisions on the annual audit opinion, the annual control report and the audits of operations should therefore be simplified and adapted to those programmes involving more than one Member States.</p> <p><i>Grammatical correction - Member State, not Member States</i></p>	
<p>(30) A clear chain of financial liability in respect of recovery for irregularities should be established from sole or other partners via the lead partner and the managing authority to the Commission. Provision should be made for liability of Member States, third countries, partner countries or Overseas Countries and Territories (OCTs), where obtaining recovery from the sole or other or lead partner is not successful, meaning that the Member State reimburses the managing authority. Consequently, under Interreg programmes there is no scope for irrecoverable amounts on the level of beneficiaries. It is, however, necessary to clarify the rules, should a Member</p>	<p><u>Amendment 30</u> (30) A clear chain of financial liability in respect of recovery for irregularities should be established from sole or other partners via the lead partner and the managing authority to the Commission. Provision should be made for liability of Member States, third countries, partner countries or Overseas Countries and Territories (OCTs), where obtaining recovery from the sole or other or lead partner is not successful, meaning that the Member State reimburses the managing authority. Consequently, under Interreg programmes there is no scope for</p>		<p><i>Provisional common understanding.</i></p> <p>(30) A clear chain of financial liability in respect of recovery for irregularities should be established from sole or other partners via the lead partner and the managing authority to the Commission. Provision should be made for liability of Member States, third countries, partner countries or Overseas Countries and Territories (OCTs), where obtaining recovery from the sole or other or lead partner is not successful, meaning that the Member State reimburses the managing authority. Consequently, under Interreg programmes there is no scope for irrecoverable amounts on the level of beneficiaries. It is, however, necessary to clarify the rules, should a Member State, third country, partner</p>	708

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
State, third country, partner country or OCT not reimburse the managing authority. The obligations of the lead partner for recovery should also be clarified. In particular, the managing authority should not be allowed to oblige the lead partner to launch a judicial procedure in a different country.	irrecoverable amounts on the level of beneficiaries. It is <i>necessary</i> , however, to clarify the rules, should a Member State, third country, partner country or OCT not reimburse the managing authority. The obligations of the lead partner for recovery should also be clarified. <i>Moreover, the procedures related to recoveries should be established and agreed by the monitoring committee. However in particular, the managing authority should not be allowed to oblige the lead partner to launch a judicial procedure in a different country.</i>		country or OCT not reimburse the managing authority. The obligations of the lead partner for recovery should also be clarified. In particular, the managing authority should not be allowed to oblige the lead partner to launch a judicial procedure in a different country. <i>Deletion of the reference to the obligation of launching judicial procedure pursuant to row 270</i>	
	<u>Amendment 31</u> <i>(30a) It is appropriate to encourage financial discipline. At the same time, arrangements for decommitment of budgetary commitments should take into account the complexity of Interreg programmes and their implementation.</i>		<i>Provisional common understanding</i> <i>[EP Amendment 31 withdrawn]</i> <i>Not needed since it is agreed under Article 99 CPR</i>	708a
(31) In order to apply a mostly common set of rules both in the participating Member States and third countries, partner countries or OCTs, this Regulation should also apply to the participation of third countries, partner countries or OCTs, unless specific rules	<i>[no change]</i>		<i>Provisional common understanding</i> <i>[no change]</i>	709

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
<p>are set out in a specific Chapter of this Regulation. Interreg programme authorities may be mirrored by comparable authorities in third countries, partner countries or OCTs. The starting point for the eligibility of expenditure should be linked to the signature of the financing agreement by the relevant third country, partner country or OCT. Procurement for beneficiaries in the third country, partner country or OCT should follow the rules for external procurement under Regulation (EU, Euratom) [new FR-Omnibus] of the European Parliament and the Council³³. The procedures for the conclusion of financing agreements with each of the third countries, partner countries or OCTs as well as of the agreements between the managing authority and each third country, partner country or OCT with regard to the support from an external financing instrument of the Union or in the case of transfer of an additional contribution from a third country, partner country or OCT to the Interreg programme other than national co-financing should be set out.</p>				

³³ [Reference]

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
(32) Although Interreg programmes with the participation of third countries, partner countries or OCTs should be implemented under shared management, outermost regions' cooperation may be implemented under indirect management. Specific rules should be set out how to implement those programmes as a whole or partially under indirect management.	<u>Amendment 32</u> (32) Although Interreg programmes with the participation of third countries, partner countries or OCTs should be implemented under shared management, outermost regions' cooperation may be implemented under indirect management. Specific rules should be set out on how to implement those programmes as a whole or partially under indirect management.		<i>Provisional common understanding</i> (32) Although Interreg programmes with the participation of third countries, partner countries or OCTs should be implemented under shared management, outermost regions' cooperation may be implemented under indirect management. Specific rules should be set out on how to implement those programmes as a whole or partially under indirect management.	710
(33) Based on the experience during the programming period 2014-2020 with large infrastructure projects within cross-border cooperation programmes under the European Neighbourhood Instrument, the procedures should be simplified. However, the Commission should retain certain rights concerning the selection of such projects.	<i>[no change]</i>		<i>Provisional common understanding</i> <i>[no change]</i>	711
(34) Implementing powers should be conferred on the Commission to adopt and amend the lists of Interreg programmes, the list of the global amount from Union support for each Interreg programme and to adopt decisions approving Interreg programmes and amendments thereof. These implementing powers should be exercised in accordance with Regulation	<i>[no change]</i>		<i>Provisional common understanding</i> <i>[no change]</i>	712

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
(EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers ³⁴ . Although these acts are of a general nature, the advisory procedure should be used given that they only implement the provisions in a technical way.				
(35) In order to ensure uniform conditions for the adoption or amendment of Interreg programmes, implementing powers should be conferred on the Commission. However, external cross-border cooperation programmes should respect, where applicable, Committee procedures established under Regulations (EU) [IPA III] and [NDICI] with regard to the first approval decision of those programmes.	<u>Amendment 33</u> (35) In order to ensure uniform conditions for the adoption or amendment of Interreg programmes, implementing powers should be conferred on the Commission. However, where applicable , external cross-border cooperation programmes should respect, where applicable , Committee procedures established under Regulations (EU) [IPA III] and [NDICI] with regard to the first approval decision of those programmes.		<i>Provisional common understanding</i> (35) In order to ensure uniform conditions for the adoption or amendment of Interreg programmes, implementing powers should be conferred on the Commission. However, where applicable , external cross-border cooperation programmes should respect, where applicable , Committee procedures established under Regulations (EU) [IPA III] and [NDICI] with regard to the first approval decision of those programmes.	713
(36) In order to supplement or amend certain non-essential elements of this Regulation, the power to adopt acts in	<i>[no change]</i>		<i>Provisional common understanding</i> <i>[no change]</i>	714

³⁴ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
<p>accordance with Article 290 of the TFEU should be delegated to the Commission to amend the Annex on the template for Interreg programmes. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.</p>				
	<p><u>Amendment 34</u> <i>(36 a) The promotion of European Territorial Cooperation (ETC) is a major priority of Union cohesion policy. Support for SMEs for costs incurred in ETC projects is already block-exempted under the Commission Regulation (EU)</i></p>		<p><i>Provisional common understanding</i></p> <p><i>EP Amendment 34 implemented in row 696c (Recital 2bis)</i></p>	714a

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
	<p><i>No 651/2014³⁵ (General block exemption Regulation (GBER)). Special provisions in relation to regional aid for investments by undertakings of all sizes are also included in the Guidelines on regional State aid for 2014-2020³⁶ and in the regional aid section of the GBER. In the light of experience gained, aid for European Territorial Cooperation projects should only have limited effects on competition and trade between Member States, and thus the Commission should be able to declare that such aid is compatible with the internal market and that financing provided in support of ETC projects is able to be block-exempted.</i></p>			
<p>(37) Since the objective of this Regulation, namely to foster cooperation between Member States and between Member States and third countries, partner countries or OCTs cannot be sufficiently achieved by the Member States but can rather, be better achieved at Union level, the Union may adopt</p>	<p><i>[no change]</i></p>		<p><i>Provisional common understanding</i> <i>[no change]</i></p>	715

³⁵ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26.6.2014, p. 1).

³⁶ Guidelines on regional State aid for 2014-2020 (OJ C 209, 23.07.2013, p. 1).

Commission proposal	European Parliament's First reading (26/3/19)	Council Position (COREPER mandate 29/5/19 and 05/10/20)	Compromise proposal, comments	Rows
measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective,				